

Voluntary Report - public distribution

Date: 8/26/2004

GAIN Report Number: AU4022

Austria

Livestock and Products

Annual

2004

Approved by:

Sarah Hanson
U.S. Embassy

Prepared by:

Dr. Roswitha Krautgartner

Report Highlights:

In 2003, Austria's bull, steer, cow and heifer stock was 1 percent above the previous year. The calf stock was 3 percent below 2002. Slaughter cattle totaled 684,951 head, a 3 percent drop. Total production of beef and veal amounted to 200,000 MT with domestic consumption reaching 155,000 MT. In 2003, Austria's opening swine stock was 1 percent above the previous year. Slaughter hogs totaled 5,310 thousand, a 1 percent increase. Due to the decoupling process of the EU CAP reform and the accession of 10 new EU member states in May 2004, Austria faces significant uncertainties in the livestock sector during the next couple of years. However, cautious forecasts do not foresee major changes in this sector.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Vienna [AU1]
[AU]

| | |
|---|----------|
| Executive Summary | 2 |
| Animals for Production and Meat in Austria | 2 |
| Cattle | 4 |
| Meat, Beef and Veal..... | 6 |
| Swine | 8 |
| Meat, Pork | 9 |

Exchange rate: US\$ = 0.95 Euro
Date of quote: 12/31/2002

Executive Summary

In 2003, Austria's bull, steer, cow and heifer stock totaled 607,535 head, a 1.43 percent drop from 2002. The calf stock totaled 173,693 head, a 3.18 percent drop. Cattle slaughters totaled 684,951, a 3.2 percent drop. Total production of beef and veal amounted to 201,000 MT, and domestic consumption reached 155,000 MT. Swine production amounted to 4,833 thousand head, a 0.97 percent increase. Pig slaughters totaled 5,310 thousand, a 0.67 percent increase.

Animals for Production and Meat in Austria

Approximately 45 percent of Austrians agricultural output derives from livestock production and animal products. In 2002, livestock production amounted to 26.9 percent (1,637 million Euro / US\$ 1,716 million) of total agricultural output with animal products production amounting to 18.6 percent (1,102 million Euro / US\$ 1,155 million) of agricultural output at basic prices (Figure 1).

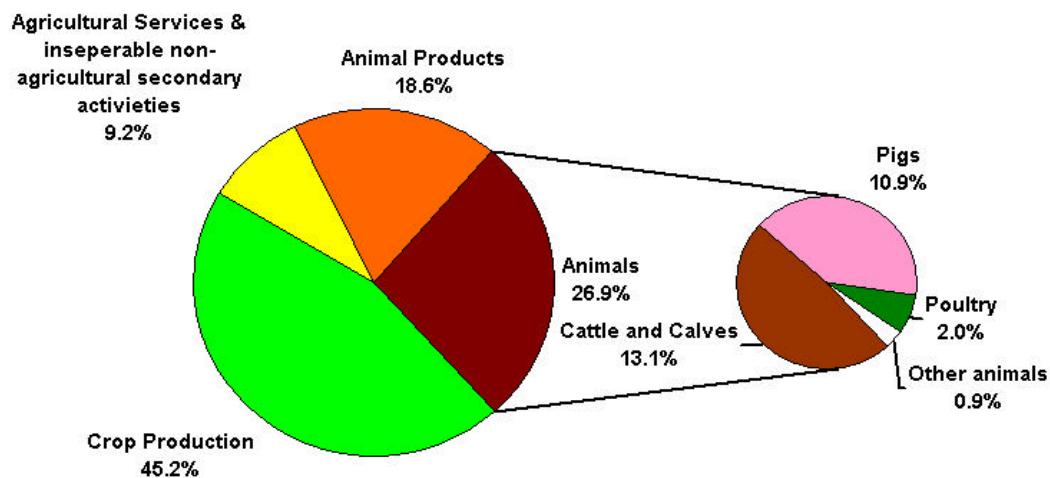
Since the seventies, total meat production has steadily grown, whereas the value of animal production at basic prices declined by 5.4 percent on average. Production of total meat in 2002 accounted for 896,138 MT, of which pork accounted for 54.9 percent, beef and veal for 25.3 percent, poultry for 12.6 percent, sheep and goat meat for 0.9 percent, horsemeat for 0.1 percent, offal for 5.4 percent and other meat for 0.8 percent (Figure 2).

Austrian's per capita consumption of meat accounted for 65.5 kg (98.7 kg including bones) a year. The degree of self-sufficiency for all kind of meat in total was 110% in 2002.

Due to the decoupling process of the EU CAP reform and the accession of 10 new EU member states in May 2004, Austria (like all other EU countries) faces significant uncertainties in the livestock sector during the next couple of years. However, cautious forecasts do not foresee major changes in this sector.

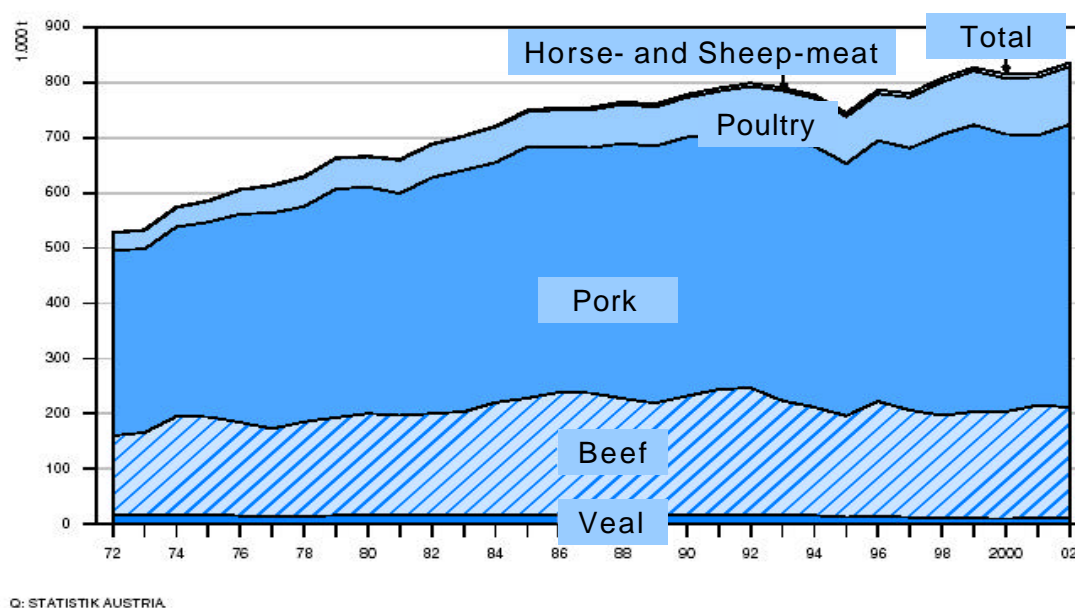
Figure 1: Output of Agricultural Activity 2002

Output of Agricultural Activity 2002 at Basic Prices



Source: Bundesministerium fuer Land- und Forstwirtschaft, Umwelt und Wasserwirtschaft

Figure 2: Meat production in Austria 1972 to 2002 by species of animal:



Cattle

Cattle husbandry is the most important sector in Austrian agriculture. Breeder cattle production and dairy production are largely concentrated in the alpine and pre-alpine and southern plain and hill areas. In general, Austrian cattle producers operate mixed.

Since its height in 1984, cattle production in Austria has shown a declining trend. Except steers (plus 16 percent) and heifers (plus 2 percent) gross domestic production of cattle (all others minus 2.5 percent) decreased in 2003 compared to 2002. Decreasing cow numbers mean also decreasing production potential. For this reason, slightly declining cattle numbers and production figures can be expected for 2004.

The trend towards a decrease of the numbers of cattle-keeping farms, which has been observed for years, continued in 2003. At the end of 2003, cattle farms numbered 88,545, a decrease of 848 units as compared to the precedent year. The number of cattle decreased in the period from June 2002 to June 2003 by 0.7 percent to 2,052 thousand head. The number of cows decreased in the same period by 3.9 percent, amounting to 800,980 head. On average, one agricultural enterprise kept 23.2 cattle.

The gross domestic production of bulls, steers, cows and heifers in 2003, calculated according to the EU definition as the sum of slaughters and net exports of all cattle, resulted in 607,535 head, i.e. 8,876 head (or 1.43 percent) less than in 2002. The gross domestic production of calves amounted to 173,693 head, which was a decrease of 5,714 head (or 3.18 percent) compared to 2002. The number of total cattle (including calves) slaughters in 2003 dropped by 3.2 percent, thus attaining a total of 684,951 slaughters.

Imports of live bovine animals in 2003 accounted for 20,123 head, this represents an increase of 15.4 percent. This increase is caused by an increase of breeding cattle imports. Almost all live bovine imports to Austria come from Germany.

Exports of live bovine animals in 2003 increased by 9.36 percent to the amount of 118,000 head. Major export countries are Italy, Germany and France.

| PSD Table | | | | | | | |
|-----------------------------|-------------------------------|---------|------|---------------------|-------------|---------------------|-------------|
| Country | Austria | | | | | | |
| Commodity | Animal Numbers, Cattle | | | | (1000 HEAD) | | |
| | 2003 | Revised | 2004 | Estimate | 2005 | Forecast | UOM |
| | Post Estimate [New] | | | Post Estimate [New] | | Post Estimate [New] | |
| Market Year Begin | | 01/2003 | | 01/2004 | | 01/2005 | MM/YYYY |
| Total Cattle Beg. Stks | | 2094 | | 2090 | | 2100 | (1000 HEAD) |
| Dairy Cows Beg. Stks | | 589 | | 570 | | 570 | (1000 HEAD) |
| Beef Cows Beg. Stocks | | 245 | | 243 | | 243 | (1000 HEAD) |
| Production (Calf Crop) | | 781 | | 750 | | 750 | (1000 HEAD) |
| Intra EC Imports | | 20 | | 20 | | 20 | (1000 HEAD) |
| Total Imports | | 0 | | 0 | | 0 | (1000 HEAD) |
| TOTAL Imports | | 20 | | 20 | | 20 | (1000 HEAD) |
| TOTAL SUPPLY | | 2895 | | 2860 | | 2870 | (1000 HEAD) |
| Intra EC Exports | | 118 | | 115 | | 115 | (1000 HEAD) |
| Total Exports | | 0 | | 0 | | 0 | (1000 HEAD) |
| TOTAL Exports | | 118 | | 115 | | 115 | (1000 HEAD) |
| Cow Slaughter | | 190 | | 0 | | 0 | (1000 HEAD) |
| Calf Slaughter | | 102 | | 130 | | 125 | (1000 HEAD) |
| Other Slaughter | | 393 | | 453 | | 460 | (1000 HEAD) |
| Total Slaughter | | 685 | | 645 | | 655 | (1000 HEAD) |
| Loss | | 2 | | 0 | | 0 | (1000 HEAD) |
| Ending Inventories | | 2090 | | 2100 | | 2100 | (1000 HEAD) |
| TOTAL DISTRIBUTION | | 2895 | | 2860 | | 2870 | (1000 HEAD) |
| Calendar Yr. Imp. from U.S. | | 0 | | 0 | | 0 | (1000 HEAD) |
| Calendar Yr. Exp. to U.S. | | 0 | | 0 | | 0 | (1000 HEAD) |

| Export Trade Matrix | | | | Import Trade Matrix | | | |
|----------------------------|-------------------------------|---------|------------------|----------------------------|-------------------------------|---------|------------------|
| Country | Austria | | | Country | Austria | | |
| Commodity | Animal Numbers, Cattle | | | Commodity | Animal Numbers, Cattle | | |
| Time Period | 2002 | Units: | 2003 | Time Period | 2002 | Units: | 2003 |
| Exports for: | | | 1000 Head | Exports for: | | | 1000 Head |
| U.S. | 0 | U.S. | 0 | U.S. | 0 | U.S. | 0 |
| Others | | Others | | Others | | Others | |
| Italy | 74 | Italy | 77 | Germany | 15 | Germany | 18 |
| Germany | 20 | Germany | 18 | Netherlands | 1 | | |
| France | 8 | France | 11 | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total for Others | 102 | | 106 | Total for Others | 16 | | 18 |
| Others not Listed | 6 | | 12 | Others not Listed | 1 | | 2 |
| Grand Total | 108 | | 118 | Grand Total | 17 | | 20 |

| Prices Table | | | |
|---------------------|------------------------|----------------------|------------|
| Country | Austria | | |
| Commodity | Animal Numbers, Cattle | | |
| Prices in | Euro | per uom | kg Slaught |
| Year | 2002 | 2003 | % Change |
| Jan | 2.12 | 2.3 | 8% |
| Feb | 2.12 | 2.3 | 8% |
| Mar | 2.12 | 2.3 | 8% |
| Apr | 2.12 | | -100% |
| May | 2.12 | | -100% |
| Jun | 2.12 | | -100% |
| Jul | 2.17 | | -100% |
| Aug | 2.17 | | -100% |
| Sep | 2.17 | | -100% |
| Oct | 2.17 | | -100% |
| Nov | 2.17 | | -100% |
| Dec | 2.17 | | -100% |
| Exchange Rate | 0.95 | Local Currency/US \$ | |
| Date of Quote | 12/31/2002 | MM/DD/YYYY | |

Meat, Beef and Veal

In 2003, total domestic gross production of beef and veal amounted to 201 thousand MT. Domestic consumption reached 155 thousand MT.

Import numbers for beef and veal rose from 7,268 MT in 2002 to 12,596 MT in 2003. This means an increase of 73.0 percent. Major import countries are Germany and Hungary.

Exports increased by 5,246 MT (plus 9.44 percent) from 55,559 MT in 2002 to 60,805 MT in 2003. Major export countries are Italy and the Netherlands.

The production prices for beef recovered towards the end of the year 2002 and were on average above the level of the previous year. The annual average for 2002 presents a price for bulls of Euro 2.67 (US\$ 2.80) per kg slaughtered. The prices for cow beef decreased to Euro 1.69 (US\$ 1.77) per kg slaughtered.

Beef and veal per capita consumption of Austrians accounted in 2002 for 12.6 kg a year (including bones 18.8 kg a year). The degree of self-sufficiency for beef and veal was 146 percent in 2002.

| PSD Table | | | | | | | |
|-----------------------------|----------------------------|---------|---------------------|---------------------------------|---------------------|----------|---------------|
| Country | Austria | | | | | | |
| Commodity | Meat, Beef and Veal | | | (1000 MT CWE)(1000 HEAD) | | | |
| | 2003 | Revised | 2004 | Estimate | 2005 | Forecast | UOM |
| | Post Estimate [New] | | Post Estimate [New] | | Post Estimate [New] | | |
| Market Year Begin | | 01/2003 | | 01/2004 | | 01/2005 | MM/YYYY |
| Slaughter (Reference) | | 685 | | 645 | | 655 | (1000 HEAD) |
| Beginning Stocks | | 3 | | 0 | | 0 | (1000 MT CWE) |
| Production | | 201 | | 210 | | 200 | (1000 MT CWE) |
| Intra EC Imports | | 8 | | 5 | | 10 | (1000 MT CWE) |
| Total Imports | | 4 | | 2 | | 5 | (1000 MT CWE) |
| TOTAL Imports | | 12 | | 7 | | 15 | (1000 MT CWE) |
| TOTAL SUPPLY | | 216 | | 217 | | 215 | (1000 MT CWE) |
| Intra EC Exports | | 57 | | 58 | | 56 | (1000 MT CWE) |
| Total Exports | | 4 | | 4 | | 4 | (1000 MT CWE) |
| TOTAL Exports | | 61 | | 62 | | 60 | (1000 MT CWE) |
| Human Dom. Consumption | | 0 | | 0 | | 0 | (1000 MT CWE) |
| Other Use, Losses | | 0 | | 0 | | 0 | (1000 MT CWE) |
| TOTAL Dom. Consumption | | 155 | | 155 | | 155 | (1000 MT CWE) |
| Ending Stocks | | 0 | | 0 | | 0 | (1000 MT CWE) |
| TOTAL DISTRIBUTION | | 216 | | 217 | | 215 | (1000 MT CWE) |
| Calendar Yr. Imp. from U.S. | | 0 | | 0 | | 0 | (1000 MT CWE) |
| Calendar Yr. Exp. to U.S. | | 0 | | 0 | | 0 | (1000 MT CWE) |

| Export Trade Matrix | | | | Import Trade Matrix | | | |
|----------------------------|----------------------------|-------------|----------------|----------------------------|----------------------------|-------------|----------------|
| Country | Austria | | | Country | Austria | | |
| Commodity | Meat, Beef and Veal | | | Commodity | Meat, Beef and Veal | | |
| Time Period | 2002 | Units: | 2003 | Time Period | 2002 | Units: | 2003 |
| Exports for: | | | 1000 MT | Exports for: | | | 1000 MT |
| U.S. | 0 | U.S. | 0 | U.S. | 0 | U.S. | 0 |
| Others | | Others | | Others | | Others | |
| Italy | 25 | Italy | 29 | Germany | 4 | Germany | 5 |
| Netherlands | 13 | Netherlands | 17 | Netherlands | 2 | Hungary | 3 |
| Macedonia | 4 | Macedonia | 4 | Hungary | 1 | Netherlands | 2 |
| France | 4 | Germany | 4 | | | Lithuania | 1 |
| Germany | 3 | France | 3 | | | | |
| Spain | 2 | Denmark | 2 | | | | |
| Denmark | 1 | Spain | 1 | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total for Others | 52 | | 60 | Total for Others | 7 | | 11 |
| Others not Listed | 4 | | 1 | Others not Listed | | | 1 |
| Grand Total | 56 | | 61 | Grand Total | 7 | | 12 |

Swine

Swine production is primarily carried out in the corn growing areas north of the eastern Alps and in southeastern Austria. Large areas of the provinces of Upper Austria, Lower Austria and Styria have ideal climatic conditions for corn production. Around 80 percent of hog producers and 90 percent of hog production is in the aforementioned provinces. With 10.9 percent (2002) of the total agricultural output, hog production follows cattle (beef and milk) as the most important agricultural sector.

Austria's total swine stock in 2003 totaled 4,833 thousand hogs. This corresponds to an increase of 46,210 hogs (plus 0.97 percent) compared to the previous year. Total slaughters in 2003 rose by 35,514 hogs (or 0.67 percent) up to 5,310 thousand slaughters.

Imports of live swine in 2003 declined from 540,980 hogs in 2002 to 532,323 hogs in 2003 (minus 8,657 head or 1.60 percent). Almost all imports of live swine to Austria come from Germany.

Major export countries of live swine are Croatia, Germany, Italy and Slovenia. Export numbers in 2003 reached in total 57,654 hogs. This is an increase of 4,121 hogs (or 7.70 percent).

Prices for piglets declined by 16 percent from 2.02 Euro (US\$ 2.12) per kg live weight in 2002 to 1.70 Euro (US\$ 1.78) per kg live weight in 2003. Also the prices for breeding sows declined by 15 percent from 256 Euro (US\$ 268.3) per stock in 2002 to 215 Euro (US\$ 225.3) per stock in 2003.

| PSD Table | | | | | | | |
|-----------------------------|---|---------|------|----------|------|-------------|-------------|
| Country | Austria | | | | | | |
| Commodity | Animal Numbers, Swine | | | | | (1000 HEAD) | |
| | 2003 | Revised | 2004 | Estimate | 2005 | Forecast | UOM |
| | Post Estimate [New] Post Estimate [New] Post Estimate [New] | | | | | | |
| Market Year Begin | | 01/2003 | | 01/2004 | | 01/2005 | MM/YYYY |
| TOTAL Beginning Stocks | | 3304 | | 3301 | | 3300 | (1000 HEAD) |
| Sow Beginning Stocks | | 332 | | 330 | | 330 | (1000 HEAD) |
| Production (Pig Crop) | | 4833 | | 4820 | | 4820 | (1000 HEAD) |
| Intra EC Imports | | 532 | | 540 | | 540 | (1000 HEAD) |
| Total Imports | | 0 | | 0 | | 0 | (1000 HEAD) |
| TOTAL Imports | | 532 | | 540 | | 540 | (1000 HEAD) |
| TOTAL SUPPLY | | 8669 | | 8661 | | 8660 | (1000 HEAD) |
| Intra EC Exports | | 25 | | 30 | | 30 | (1000 HEAD) |
| Total Exports | | 33 | | 34 | | 35 | (1000 HEAD) |
| TOTAL Exports | | 58 | | 64 | | 65 | (1000 HEAD) |
| Sow Slaughter | | 97 | | 97 | | 97 | (1000 HEAD) |
| OTHER SLAUGHTER | | 5213 | | 5200 | | 5198 | (1000 HEAD) |
| Total Slaughter | | 5310 | | 5297 | | 5295 | (1000 HEAD) |
| Loss | | 0 | | 0 | | 0 | (1000 HEAD) |
| Ending Inventories | | 3301 | | 3300 | | 3300 | (1000 HEAD) |
| TOTAL DISTRIBUTION | | 8669 | | 8661 | | 8660 | (1000 HEAD) |
| Calendar Yr. Imp. from U.S. | | 0 | | 0 | | 0 | (1000 HEAD) |
| Calendar Yr. Exp. to U.S. | | 0 | | 0 | | 0 | (1000 HEAD) |

| Import Trade Matrix | | | | Export Trade Matrix | | | |
|---------------------|-----------------------|-------------|-----------|---------------------|-----------------------|----------|-----------|
| Country | Austria | | | Country | Austria | | |
| Commodity | Animal Numbers, Swine | | | Commodity | Animal Numbers, Swine | | |
| Time Period | 2002 | Units: | 2003 | Time Period | 2002 | Units: | 2003 |
| Exports for: | | | 1000 Head | Exports for: | | | 1000 Head |
| U.S. | 0 | U.S. | 0 | U.S. | 0 | U.S. | 0 |
| Others | | Others | | Others | | Others | |
| Germany | 537 | Germany | 531 | Croatia | 32 | Croatia | 27 |
| Netherlands | 3 | Netherlands | 1 | Italy | 8 | Germany | 18 |
| | | | | Germany | 7 | Italy | 7 |
| | | | | Romania | 5 | Slovenia | 3 |
| | | | | | | Romania | 2 |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total for Others | 540 | | 532 | Total for Others | 52 | | 57 |
| Others not Listed | 1 | | | Others not Listed | 2 | | 1 |
| Grand Total | 541 | | 532 | Grand Total | 54 | | 58 |

Meat, Pork

Total domestic gross production of pork amounted to 493 thousand MT. Domestic consumption reached 457 thousand MT.

Import numbers for pork decreased from 72,193 MT in 2002 to 67,867 MT in 2003. This means a decrease of 5.99 percent. Major import countries for pork are Germany, Hungary, Italy and the Netherlands.

Exports also declined by 10,949 MT (plus 9.49 percent) from 115,358 MT in 2002 to 104,409 MT in 2003. Major export countries are Italy, Germany and Slovenia.

Prices of slaughter pigs in 2003 were 7.6 percent down on an average compared to 2002. The average price of slaughter pigs in 2003 amounted to 1.21 Euro (US\$ 1.27) per kg slaughtered (2002: 1.31 Euro / US\$ 1.37 per kg dead). Consumer prices for pork dropped from 7.23 Euro (US\$7.58) per kg in 2002 to 7.25 Euro (US\$ 7.60) per kg in 2003.

Pork per capita consumption of Austrian's accounted in 2002 for 40.3 kg a year (including bones 57.2 kg a year). The degree of self-sufficiency for pork was 104 percent in 2002.

| PSD Table | | | | | | | |
|-----------------------------|---------------------|---------|---------------------|----------|---------------------|----------|---------------|
| Country | Austria | | | | | | |
| Commodity | Meat, Swine | | | | | | |
| | 2003 | Revised | 2004 | Estimate | 2005 | Forecast | UOM |
| | Post Estimate [New] | | Post Estimate [New] | | Post Estimate [New] | | |
| Market Year Begin | | 01/2003 | | 01/2004 | | 01/2005 | MM/YYYY |
| Slaughter (Reference) | | 5310 | | 5297 | | 5295 | (1000 HEAD) |
| Beginning Stocks | | 0 | | 0 | | 0 | (1000 MT CWE) |
| Production | | 493 | | 490 | | 490 | (1000 MT CWE) |
| Intra EC Imports | | 64 | | 65 | | 65 | (1000 MT CWE) |
| Total Imports | | 4 | | 10 | | 10 | (1000 MT CWE) |
| TOTAL Imports | | 68 | | 75 | | 75 | (1000 MT CWE) |
| TOTAL SUPPLY | | 561 | | 565 | | 565 | (1000 MT CWE) |
| Intra EC Exports | | 68 | | 69 | | 69 | (1000 MT CWE) |
| Total Exports | | 36 | | 36 | | 36 | (1000 MT CWE) |
| TOTAL Exports | | 104 | | 105 | | 105 | (1000 MT CWE) |
| Human Dom. Consumption | | 0 | | 0 | | 0 | (1000 MT CWE) |
| Other Use, Losses | | 0 | | 0 | | 0 | (1000 MT CWE) |
| TOTAL Dom. Consumption | | 457 | | 460 | | 460 | (1000 MT CWE) |
| Ending Stocks | | 0 | | 0 | | 0 | (1000 MT CWE) |
| TOTAL DISTRIBUTION | | 561 | | 565 | | 565 | (1000 MT CWE) |
| Calendar Yr. Imp. from U.S. | | 0 | | 0 | | 0 | (1000 MT CWE) |
| Calendar Yr. Exp. to U.S. | | 0 | | 0 | | 0 | (1000 MT CWE) |

| Import Trade Matrix | | | | Export Trade Matrix | | | |
|----------------------------|--------------------|-------------|----------------|----------------------------|--------------------|-------------|----------------|
| Country | Austria | | | Country | Austria | | |
| Commodity | Meat, Swine | | | Commodity | Meat, Swine | | |
| Time Period | 2002 | Units: | 2003 | Time Period | 2002 | Units: | 2003 |
| Exports for: | | | 1000 MT | Exports for: | | | 1000 MT |
| U.S. | 0 | U.S. | 0 | U.S. | 0 | U.S. | 0 |
| Others | | Others | | Others | | Others | |
| Germany | 58 | Germany | 54 | Italy | 48 | Italy | 46 |
| Netherlands | 4 | Hungary | 4 | Germany | 19 | Germany | 20 |
| Hungary | 3 | Italy | 3 | Romania | 10 | Slovenia | 7 |
| Italy | 3 | Netherlands | 3 | Slovenia | 10 | Romania | 5 |
| Belgium | 2 | Belgium | 2 | Yugoslavia | 5 | Yugoslavia | 5 |
| | | | | South Korea | 4 | Switzerland | 4 |
| | | | | Croatia | 3 | Japan | 4 |
| | | | | Japan | 3 | Croatia | 3 |
| | | | | | | | |
| Total for Others | 70 | | 66 | Total for Others | 102 | | 94 |
| Others not Listed | 2 | | 2 | Others not Listed | 13 | | 10 |
| Grand Total | 72 | | 68 | Grand Total | 115 | | 104 |

| Prices Table | | | |
|---------------------|-----------------------|----------------------|------------|
| Country | Austria | | |
| Commodity | Animal Numbers, Swine | | |
| Prices in | Euro | per uom | kg Slaught |
| | Producer Price | | |
| Year | 2002 | 2003 | % Change |
| Jan | 1.36 | 1.18 | -13% |
| Feb | 1.36 | 1.18 | -13% |
| Mar | 1.36 | 1.18 | -13% |
| Apr | 1.3 | | -100% |
| May | 1.3 | | -100% |
| Jun | 1.3 | | -100% |
| Jul | 1.37 | | -100% |
| Aug | 1.37 | | -100% |
| Sep | 1.37 | | -100% |
| Oct | 1.21 | | -100% |
| Nov | 1.21 | | -100% |
| Dec | 1.21 | | -100% |
| | | | |
| Exchange Rate | 0.95 | Local Currency/US \$ | |
| Date of Quote | 12/31/2002 | MM/DD/YYYY | |